

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)	
)	
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 2009-0108
)	
Instituting a Proceeding To)	
Investigate Proposed Amendments to the)	
Framework for Integrated Resource Planning)	
<hr/>		

COUNTY OF KAUAI'S MOTION TO INTERVENE

and

CERTIFICATE OF SERVICE

FILED
2009 JUN -3 A 7:45
PUBLIC UTILITIES
COMMISSION

ALFRED B. CASTILLO, JR 3132
AMY I. ESAKI 2698
Office of the County Attorney
County of Kauai
4444 Rice Street, Suite 220
Lihu'e, Hawaii 96766-1300
Telephone: (808) 241-4930

Attorneys for the County of Kauai

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of)	
)	
PUBLIC UTILITIES COMMISSION)	DOCKET NO. 2009-0108
)	
Instituting a Proceeding to Investigate)	
Proposed Amendments to the Framework)	
For Integrated Resource Planning)	
_____)	

**COUNTY OF KAUAI'S MOTION TO INTERVENE IN THE PUBLIC UTILITIES
COMMISSION'S DOCKET NO. 2009-0108,
INSTITUTING A PROCEEDING TO INVESTIGATE PROPOSED AMENDMENTS
TO THE FRAMEWORK FOR INTEGRATED RESOURCE PLANNING**

The Administration of the COUNTY OF KAUAI, a political subdivision of the State of Hawaii ("County"), by and through its attorneys, Alfred B. Castillo, Jr. and Amy I. Esaki, hereby moves this honorable Public Utilities Commission ("Commission") to authorize the County to intervene in Docket No. 2009-0108, a proceeding to investigate proposed amendments to the framework for integrated resource planning (IRP).

The request for intervention is timely filed, within twenty days from the issuance of the Order Initiating Investigation under Docket No. 2009-0108. Moreover, the County represents and asserts it meets the substantive requirements to intervene in HAR §6-61-55 as stated below.

I. NATURE OF THE COUNTY'S STATUTORY OR OTHER RIGHT TO INTERVENE

Hawaii Revised Statutes ("HRS") §46-19 states that "[e]ach of the Counties may participate in the development of alternative energy resources defined as geothermal, solar, wind, ocean power, biomass and solid waste in joint venture with an end user or public utility pursuant to a plan for the direct utilization of the energy sources by an end

user or public utility; provided that should a joint venture partner not be available the counties may proceed with the development of alternate energy sources for their own consumption or for the furtherance of a plan for direct utilization by an end user or public utility." This provision provides the County a statutory interest in this docket, which will determine the options available to the County as a potential partner or provider of alternate energy to the utilities.

Section 2.01 of the Kaua'i County Charter also provides a statutory right to intervene, since it mandates the County to protect the general welfare of its residents and to maintain, protect and advance their interests. Unlike the other electric utilities, the Kaua'i Island Utility Cooperative ("KIUC") is owned by the ratepayer residents of the County. Therefore, the Clean Energy Scenario Planning (CESP) process developed as a result of this docket will have a greater, more direct impact on Kaua'i residents. The County, as the governing body for all of the residents of Kaua'i, has a right to participate, as clean energy planning requirements will affect the welfare of the Kaua'i community and the overall economy of the island.

Finally, the County has a right to participate in this docket as a participant in the Hawaii Clean Energy Initiative and the integrated resource planning ("IRP") process. This Docket No. 2009-0108 will investigate proposed amendments to the framework for IRP for the electric utilities. The County was one of the original participants in Docket No. 6617 in 1992 that resulted in the IRP framework. Since the IRP process was initiated, the County has been represented on the local utility's (Kaua'i Island Utility Cooperative and its predecessor Kaua'i Electric) IRP Advisory Committees. Having invested staff resources and actively participated in the IRP process and efforts to

further clean energy development in Hawai'i, the County should be allowed to intervene in this docket.

II. NATURE AND EXTENT OF THE COUNTY'S PROPERTY, FINANCIAL, AND OTHER INTEREST IN THE PENDING MATTER

As one of KIUC's largest member-owners, the County's property and financial interests will be affected by this docket. The County's electric utility bills totaled more than \$8.18 million in fiscal year 2007-2008. As a large consumer, the County has a direct interest in renewable energy and other planning matters that may impact electric rates, since its ability to provide for the general welfare of Kaua'i residents will be affected by rate levels.

The County also has a strong desire to use more indigenous renewable energy and reduce its dependence on imported oil. It is important for the County to stabilize price spikes related to the oil price volatility and the negative impact high oil prices have on County services and economic prosperity. Several of the Governing Principles from the Proposed Framework for Clean Energy Scenario Planning are directly related to County concerns, including "2. CESP scenarios and the CESP Action Plan shall comport with state and county environmental, health, and safety laws and formally adopted state and county plans; and 4. CESP scenarios and the CESP Action Plan shall give consideration to the plans' impacts upon the utility's consumers, the environment, culture, community lifestyles, the State's economy, and society."

The County also has a direct interest in the renewable energy aspects of this docket by mission. The Kaua'i County Code, Section 7-3.6 states that "[p]rograms shall be developed which will make the County more self-sufficient in producing energy and less dependent on imported energy sources." Consistent with this mission, the County

has opportunities for joint ventures with renewable power generators and has a strong interest in generating renewable power at County facilities. The availability of these opportunities will be affected by the outcome of this docket.

III. EFFECT OF THE PENDING DOCKET AS TO THE COUNTY'S INTEREST

The docket and any orders issued as a result of the docket will impact the County as a major consumer of electric services from the local utility. The County's financial interest will be affected, because it is exploring its energy efficiency and renewable energy options to reduce its electric bills and its dependence on fossil-fuel generated power. The County also has an interest in the impact of this docket on the overall economic health of the State and on energy security, since any impacts will be felt by the County's constituents.

IV. OTHER MEANS AVAILABLE WHEREBY THE COUNTY'S INTEREST WILL BE PROTECTED

There are no other means available whereby the County's interest will be protected. No other party or potential party has the status as one of KIUC's largest member-owners, and the local government body representing the resident member-owners of KIUC. As a large consumer and political representative of the other member-owners, the County is concerned about the manner in which electricity services may be planned, priced and provided to Kauai. The County's concerns include but are not limited to the effect of this docket on economic development, workforce development, land use planning, permitting, and energy emergency preparedness for disaster and market disruptions.

V. EXTENT TO WHICH THE APPLICANT'S INTEREST WILL NOT BE REPRESENTED BY THE EXISTING PARTIES

Although the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy ("CA") has been named a party to this proceeding, the CA has not specifically advocated the interests of consumers who are also member-owners of the utility, or Kaua'i consumers as a special interest group. The Consumer Advocate's role is to ensure reasonably priced and reliably delivered electric services to consumers in general, and in particular to residential consumers. Therefore, the County's interests will not be represented by the CA.

The County has a specific desire and interest to participate in the development of a Clean Energy Scenario Planning Framework. The development of a five-year action plan is of great interest to the County. The identification of Renewable Energy Zones or geographic areas of the islands in which infrastructure improvements should be focused requires the active participation of local government. The CESP process will have a definite impact on future development and growth, and must be consistent with the County's planning policies, the County's General and community plans, and the Kaua'i County Code. No other party to this docket will represent Kaua'i County's interest in ensuring integration of the five-year plan with the County planning process.

VI. EXTENT TO WHICH THE APPLICANT'S PARTICIPATION CAN ASSIST IN THE DEVELOPMENT OF A SOUND RECORD

The County has knowledge of utility programs from its past participation in numerous dockets related to energy planning, renewable energy and distributed generation such as Docket No. 6617 which established the framework for integrated resource planning; Docket No. 94-0226 related to investigating renewable energy;

Docket No. 03-0371 related to distributed generation; Docket No. 03-0372 related to competitive bidding; Docket No. 05-0069 related to demand side management; Docket No. 2006-0498 related to proposed tariffs filed by KIUC; and Docket No. 2007-0176 related to intra-governmental wheeling. This knowledge and experience will assist in the development of a sound record by providing a Kaua'i county perspective to the direction this investigation should take in incorporating clean energy scenarios into the IRP planning process. As stated above, the County has unique knowledge of land use planning issues and its own renewable energy plans. The County is currently developing an Energy Sustainability Plan, and the results of those plans will be closely related to clean energy scenario planning. The County can contribute by providing the recommendations and findings of that plan (tentative completion January 2010) to assist the Commission in developing a sound record in this docket.

VII. EXTENT TO WHICH THE APPLICANT'S INTERVENTION WILL BROADEN THE ISSUES OR DELAY THE PROCEEDINGS

The County's intervention will not broaden the issues or delay the proceedings.

VIII. EXTENT TO WHICH THE APPLICANT'S INTEREST IN THE PROCEEDING DIFFERS FROM THAT OF THE GENERAL PUBLIC

As stated above, the County's interests in the proceeding differ from that of the general public because the County is one of the largest consumer-members of KIUC; it is the political representative of the other consumer-members of KIUC; it has the capacity to generate renewable power alone and in partnership with the electric utility; it is directly impacted by electric rates and oil price volatility as electric costs form a large portion of the operating budget it needs to provide essential public services; and it has an overall responsibility for the public welfare and economy on Kaua'i.

IX. WHETHER THE APPLICANT'S POSITION IS IN SUPPORT OF OR IN
OPPOSITION TO THE RELIEF SOUGHT

The County of Kauai supports amending the current Framework for Integrated Resource Planning to provide a Clean Energy Scenario Planning Process that will be beneficial to the consumer-members of KIUC, the residents and businesses of Kaua'i and the State, and visitors.

For all of the foregoing reasons, the County respectfully requests the Commission grant the County intervenor status in this docket.

DATED: Līhu'e, Kaua'i, Hawai'i June 3, 2009.

A handwritten signature in black ink, appearing to read "Alfred B. Castillo, Jr.", written over a horizontal line.

ALFRED B. CASTILLO, Jr.
County Attorney
AMY I. ESAKI
First Deputy County Attorney

Attorneys for COUNTY OF KAUA'I

CERTIFICATE OF SERVICE

I hereby certify that I have this date served copies of the foregoing **COUNTY OF KAUAI'S MOTION TO INTERVENE IN THE PUBLIC UTILITIES COMMISSION'S DOCKET NO. 2009-0108, INSTITUTING A PROCEEDING TO INVESTIGATE PROPOSED AMENDMENTS TO THE FRAMEWORK FOR INTEGRATED RESOURCE PLANNING** upon the following parties, by causing copies hereof to be mailed, postage prepaid, and properly addressed to each such party, as noted below:

CATHERINE P. AWAKUNI
EXECUTIVE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
DIVISION OF CONSUMER ADVOCACY
P. O. Box 541
Honolulu, Hawai'i 96809

2 copies

DARCY L. ENDO
VICE PRESIDENT
GOVERNMENT AND COMMUNITY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

DEAN MATSUURA
MANAGER
REGULATORY AFFAIRS
HAWAIIAN ELECTRIC COMPANY, INC.
P.O. Box 2750
Honolulu, HI 96840-0001

JAY IGNACIO
PRESIDENT
HAWAII ELECTRIC LIGHT COMPANY, INC.
P.O. Box 1027
Hilo, HI 96721-1027

EDWARD L. REINHARDT
PRESIDENT
MAUI ELECTRIC COMPANY, LTD.
P.O. Box 398
Kahului, HI 96732

RANDALL J. HEE, P.E.
President and Chief Executive Officer
Kauai Island Utility Cooperative
4463 Pahe'e Street, Suite 1
Līhu'e, Kauai, HI 96766-2000

TIMOTHY BLUME
KAUA'I ISLAND UTILITY COOPERATIVE
4463 Pahe'e Street, Suite 1
Līhu'e, HI 96766-2000

JEFFREY M. KISSEL
PRESIDENT AND CHIEF EXECUTIVE OFFICER
THE GAS COMPANY, LLC
745 Fort Street, 18th Floor
Honolulu, HI 96813

GEORGE T. AOKI, ESQ.
THE GAS COMPANY, LLC
745 Fort Street, 18th Floor
Honolulu, HI 96813

Counsel for The GAS COMPANY, LLC

DATED: Līhu'e, Kaua'i, Hawai'i June 3, 2009.



ALFRED B. CASTILLO, Jr.
County Attorney
AMY I. ESAKI
First Deputy County Attorney

Attorneys for COUNTY OF KAUA'I